NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

THIS LEASE AGREEMENT is made this

PAID UP OIL AND GAS LEASE (No Surface Use)

, 2008, by and between

day of ____

EMMH VEHE COCPRESSED H STUDIE HELSON			
whose addresss is 1100 Bindge wood Drive, Soit 100, Fort LL	orth TexAs	76112	as Lessor,
and, DALE PROPERTY SERVICES, L.L.C., 2100 Ross Avenue, Suite 1870 Dallas Texas	75201, as Lessee.	All printed portions of this lease w	ere prepared by the party
hereinabove named as Lessee, but all other provisions (including the completion of blank space	es) were prepared in	ointly by Lessor and Lessee.	
1. In consideration of a cash bonus in hand paid and the covenants herein contains	ed Lessor hereby o	grants, leases and lets exclusively	to Lessee the following
described land, hereinafter called leased premises:	,	,	
ACRES OF LAND, MORE OR LESS, BEING LOT(S)	31	BLOCK,	2
OUT OF THE Hollywood Hills		DITION, AN ADDITION	
Fort Weith Texas TARRANT COUNTY, TEXA	S, ACCORDIN	NG TO THAT CERTAIN P	LAT RECORDED
IN VOLUME 388-C ,PAGE 45 OF THE	PLAT RECOI	RDS OF TARRANT COUN	VTY, TEXAS.
in the County of Tarrant, State of TEXAS, containing gross acres, more of reversion, prescription or otherwise), for the purpose of exploring for, developing, producing substances produced in association therewith (including geophysical/seismic operations), commercial gases, as well as hydrocarbon gases. In addition to the above-described leased land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described tessor agrees to execute at Lessee's request any additional or supplemental instruments for a of determining the amount of any shut-in royalties hereunder, the number of gross acres above	or less (including ar and marketing oil The term "gas" at premises, this leas bed leased premise more complete or a	ny interests therein which Lessor rand gas, along with all hydrocarbes used herein includes helium, case also covers accretions and any as, and, in consideration of the afor accurate description of the land so courate description of the land so courage description and the land so courage description of the land so courage description and the land so courage description are description of the land so courage description and the land so courage description are description and the land so courage description and the land so courage description are description and the land so courage description and the land so courage description are description and the land so courage description and the land so courage description are description and description are description and description are description and description are description are description and description are description are description and description are description are description are description and description are d	may hereafter acquire by on and non hydrocarbon arbon dioxide and other small strips or parcels of rementioned cash bonus, covered. For the purpose
2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a prima or as or other substances covered berefy are produced in paying quantiliar from the lease of			

3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be Twenty-Five (25%) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity. (b) for gas (including casing head gas) and all other substances covered hereby, the royally shall be Twentty-Five (25%) of the proceeds realized by Lessee from the sale thereof, less a proportionale part of ad valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest precoding date as the date on which Lessee commences its purchases benerounder; and (c) if at the end of the primary term or any time there are no or more wells in the leased premises or lands pooled therewith are capable of either producing oil or gas or other substances covered hereby in paying quantities or such wells are substances to the producing oil or gas or other substances covered hereby in paying quantities or such wells are which or production there from is not being sold by Lessee, such well or wells are shuf-in or production there from is not being sold by Lessee, such any payment to be made to Lessor or to Lessor's credit in the depository designated below, on or before each anniversary of the end of said 90-day period while the well or wells are shuf-in or production there from is not being sold by Lessee, provided that if this lesse is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells and the payment of the sold payment the payment to the sold payment the sold payment the production in the sold payment the payment the paymen similar grade and gravily; (b) for gas (including casing head gas) and all other substances covered hereby, the royally shall be Twenty-Five (25%) of the proceeds

to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or lands pooled therewith, or (b) to protect the leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as lo any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to proteinly develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 840 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal completion shall not exceed 840 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to contion to any well spacing or density patient that may be prescribed or permitted by any governmental authority, or, if no definition is so of the foregoing, the terms foll well. and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so or some per barrel, based on 24-hour production of the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well with an initial gas-oil ratio of 100,000 cu

such part of the leased premises.

The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royallies to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royallies hereunder, Lessee may pay or tender such shut-in royallies to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferse to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to lime, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this tease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released.

the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery. Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, hijection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other tands used by Lessee's consent, and tessee shall pay for damage caused by its operations to buildings and other improvements premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, production or other operations are prevented or delayed by such taws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, rot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof.

Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessee thereofficial production of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days

other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

16. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until

Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

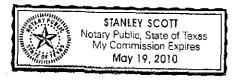
LESSOR (WHETHER ONE OR MORE)

BY: EMMA JEAN CORPORADOR By:

ACKNOWLEDGMENT

STATE OF Texas COUNTY OF Tarrant

This instrument was acknowledged before me on the 2nd day of hours of the day of the day



Stanley Sorth Notary Public, State of Texas Notary's name (printed): Notary's commission expires:

STATE OF Texas COUNTY OF Tarrant

___, 2008, by: This instrument was acknowledged before me on the _____day of ___

> Notary Public, State of Texas Notary's name (printed): Notary's commission expires:



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

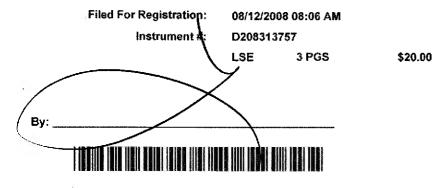
DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



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ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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